

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

JOHN J. VAUGHN, GERALD A.
KALBFLEISCH, MICHAEL HATHAWAY, and
MYRTLE HATHAWAY,

Plaintiffs,

v.

PUTNAM INVESTMENT MANAGEMENT,
LLC and PUTNAM RETAIL MANAGEMENT,
LIMITED PARTNERSHIP

Defendants.

Civil Action No. 04-10988 (GAO)

**APPENDIX 2 TO PLAINTIFFS' [Revised] MEMORANDUM IN SUPPORT OF MOTION
TO COMPEL DEFENDANTS TO RESPOND TO FIRST SET OF REQUESTS FOR THE
PRODUCTION OF DOCUMENTS**

Putnam should produce documents from January 1, 2000 responsive to the following requests:¹ Request Nos. 14, 15 and 17 (addressing impact of 12b-1 fees on interests of mutual fund shareholders), 16 (addressing whether management and/or 12b-1 fees on Putnam mutual funds are excessive), 18 (discussing possibility of a reduction and/or increase in management and/or 12b-1 fees), 20 (fee-related communications with trustees and documents addressing benefits to Putnam of 12b-1 fees), 21, 22, 44 and 45 (discussing appropriateness and/or legality of management and/or 12b-1 fees on the Putnam mutual funds), 35 (descriptions of investment management team's activities),² 43 (addressing requirements of Section 36(b)), 75 and 76 (concerning negotiation with trustees of management and/or 12b-1 fees, including trustee consideration of whether or not to approve management contracts or distribution plans), 77, 83 and 84 (fee-related communications with trustees), 79 and 80 (discussing possibility of trustees withholding approval of management contract and/or distribution plan for any of the Funds), 81 (discussing possibility of trustees considering changing management and/or distribution company for one or more of the Funds), 82 and 86 (concerning trustees' consideration, with respect to the mutual funds, of requirements of Section 36(b) and/or 12b-1, including court decisions applying those statutes), 85 (monthly PIM updates to Trustees Investment Oversight Committees concerning performance of the Funds and information produced by PIM to Trustees' Investment Oversight Committees in connection with trustees' periodic additional review of the Funds' performance), 108 (addressing issue of conflicts of interest between Putnam and shareholders), 109 (addressing impact of 12b-1 fees on expense ratios and/or flow volatility),

¹ Unless otherwise noted, Plaintiffs do not have any issues with Putnam's substantive responses to these requests, which commitments are set forth in the parenthesis. (Putnam has also committed in response to many of these requests to produce its fee-related communications, including the "black books", and Operations Finance department documents related to those communications. Plaintiffs have not included those commitments in the parenthesis to avoid redundancy.) The requests are set forth in full in Plaintiffs' First Set of Requests for the Production of Documents, attached to Plaintiffs' [Revised] Memorandum in Support of Motion to Compel as Exhibit A.

² This is Plaintiffs' summary of the request, not the category of documents Putnam has committed to produce in response. Plaintiffs dispute the substance of Putnam's response to this request, as explained on pages 4-5 of Plaintiffs' memorandum.

111 (addressing impact of alternate actual or hypothetical breakpoints on profits), and 112 and 113 (concerning investigations and litigation about Putnam's fees).³

Dated: September 11, 2006

Respectfully submitted,

/s/ Lisa A. Furnald

David E. Marder (BBO #552485)
Marc N. Henschke (BBO #636146)
Lisa A. Furnald (BBO #631059)
Jonathan D. Mutch (BBO #634543)
Robins, Kaplan, Miller & Ciresi LLP
800 Boylston Street, 25th Floor
Boston, MA 02199
E-mail: LAFurnald@rkmc.com
(617) 267-2300

Of Counsel:

Thomas R. Grady (admitted *pro hac vice*)
Ackerman, Link, & Sartory, P.A.
222 Lakeview Avenue, Suite 1250, Esperante
West Palm Beach, FL 33401

CERTIFICATE OF SERVICE

I, Lisa A. Furnald, hereby certify that on September 11, 2006, a true copy of Appendix 2 to Plaintiffs' [Revised] Memorandum in Support of Motion to Compel Defendants to Respond to First Set of Requests for the Production of Documents was served electronically through the ECF System and by first class mail, postage prepaid, to those counsel of record indicated as non-registered ECF participants.

/s/ Lisa A. Furnald

Lisa A. Furnald
Robins, Kaplan, Miller & Ciresi LLP
800 Boylston Street, 25th Floor
Boston, MA 02199
E-mail: LAFurnaldr@rkmc.com
(617) 267-2300

³ This is Plaintiffs' summary of the request, not the category of documents Putnam has committed to produce in response. Plaintiffs dispute the substance of Putnam's response to this request, as explained on pages 6-7 of Plaintiffs' memorandum.